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Sisram Medical Ltd

(Incorporated in Israel with limited liability)

(Stock Code: 1696)

CHANGE IN USE OF PROCEEDS FROM THE GLOBAL OFFERING

References are made to the prospectus (the “**Prospectus**”) of Sisram Medical Ltd (the “**Company**”) dated September 5, 2017 relating to the global offering (the “**Global Offering**”) and listing of the Company’s shares on the Main Board of The Stock Exchange of Hong Kong Limited and the 2018 interim report of the Company published on August 20, 2018 (the “**2018 Interim Report**”). Unless otherwise stated, capitalized terms used herein shall bear the same meanings as defined in the Prospectus.

USE OF PROCEEDS

As disclosed in the Prospectus and the 2018 Interim Report, the Company intended to apply, among others, approximately 9.3% of the net proceeds from the Global Offering to upgrade existing or establish new service centers in direct sales markets. As of June 30, 2018, the Company didn’t utilize any of such amount and an amount of HK\$71.73 million remained unutilized as of June 30, 2018 (the “**Unutilized Net Proceeds**”).

CHANGE IN USE OF PROCEEDS

In view of the relatively low interests rate on deposits and in order to enhance the efficiency of use of the net proceeds from the Global Offering and reduce the finance expenses, the Company intends to utilize an amount of US\$5.0 million out of the Unutilized Net Proceeds for the prepayment of a loan with HSBC Bank Plc, Israel Discount Bank Ltd. and Mizrahi Tefahot Bank Ltd., under a loan agreement dated April 14, 2014. Accordingly, on October 8, 2018, the Board has resolved to change the use of the Unutilized Net Proceeds and proposed to apply US\$5.0 million out of the Unutilized Net Proceeds for the prepayment of the above-mentioned loan.

Save for the above, there is no other change in the use of net proceeds from the Global Offering.

The Board considers the change in the use of the net proceeds as set out above is in the interest of the Company and its shareholders as a whole.

On Behalf of the Board
Sisram Medical Ltd
Yi LIU
Chairman

Hong Kong, October 8, 2018

As at the date of this announcement, the Board of Directors of the Company comprises Mr. Yi LIU, Mr. Lior Moshe DAYAN and Mr. Jianping HUA as Executive Directors; Mr. Yifang WU, Mr. Yao WANG and Ms. Yang YANG as Non-Executive Directors; Mr. Heung Sang Addy FONG, Mr. Chi Fung Leo CHAN, Ms. Jenny CHEN and Mr. Kai Yu Kenneth LIU as Independent Non-executive Directors.